

he blew his whistle for its destruction; it was necessary to sustain his party, which could be done by sustaining him, and instantly, as the voters down with the Bank and huzzas of the veto became the watchwords and the rallying cry of his partisans. That same Legislature in Pennsylvania, now, with equal unanimity approved the destruction of an institution which had believed to be so indispensable to the prosperity, and deluded people felt as if they fortunately escaped a great National calamity.

The Veto notwithstanding, the House of Representatives, by a large majority, resolved that public deposits were safe in the custody of

Bank of the United States, where they were placed under the sanction and by the command of the law; and it was well known at Washington that this resolution was passed in anticipation and to prevent the possibility of their removal. In the face and in contempt of this decision of the Representatives of the People, and in violation of a positive law, the removal was ordered by the President a few months after, the Secretary of the Treasury having been previously him removed to accomplish the object. And he has been anxious to consider the effect produced by this practice.

2d event to which I have alluded. It is well known to be the usage of the Banks, to act on the standing average amount of deposits upon a permanent fund. The Bank of the United States had so regulated its transactions upon deposits of the United States, and had granted accommodations and extended facilities as far as could be safely done on that basis. The deposits were removed and dispersed among various

banks, which were urged by an authority not likely to be disregarded, especially when seconded by the Government, to do what was best for the country. It did, their own pecuniary interests, to discount and accommodate freely on them. They did, and thus these deposits performed a double office, by being the basis of Bank facilities, first in the hands of the Bank of the United States and afterwards in the possession of the local banks. A vast addition to the circulation of currency opened a door to that, already open, of the

country ensued, adding to that already so  
ously put forth by the multitude of new bars  
which were springing up like mushrooms.  
speculation and over-trading should have fol-  
ed were to have naturally been expected. It  
surprising that there were not more. Prices  
enormously, as another consequence; and the  
sands were tempted, as is always the case in  
advancing market, to hold on or to make purch-  
es, under the hope of prices rising still high-

A rush of the speculators was made upon public lands, and the money invested in their chase, coming back to the deposit banks, again and again loaned out to the same or other speculators, to make other and other purchases.

Who was to blame for this inflated and artificial state of things? Who for the speculation which was its natural offspring? The policy of the government which produced it, or the people who followed it?

3 There was a measure, the passage of which would have greatly mitigated this unnatural state of things. It was not difficult to foresee that the Veto of the Bank, some of the consequences that would follow. The multiplication of Banks, a superabundant currency, rash

inordinate speculation, and a probable ultimate suspension of specie payments. And the domain was too brilliant and tempting a prize to be among the first objects that would attract speculation. In March, 1833, a bill passed by the Houses of Congress to distribute among the States the proceeds of sales of the public lands. It was a measure of strict justice to the States and one of sound policy as it respects the re-

Let us here pause and consider what we have seen the operation of that most in-

and salutary measure, if it had not been erroneously reported. The bill passed in 1833, and in a short time after, the sales of the public lands were multiplied to an unprecedented extent, inasmuch that in one year they amounted to \$25,000,000, and in a few years to an aggregate of about \$50,000,000. It was manifest that, if this fund, so rapidly accumulating, remained in the custody of the local banks, in conformity with the Treaties

Circular, and with their interests, it would make the basis of new loans, new accommodations, fresh bank facilities. It was manifest that the same identical sum of money might as in fact did, purchase many tracts of land, making the circuit from the land offices to the banks and from the banks to the land office besides stimulating speculation in other forms.

Under the operation of the measure of dis-

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tion, that great fund would have been se-  
annually returned to the States, and would  
been applied under the direction of their  
spective legislatures, to various domestic  
useful purposes. It would have fallen upon  
land, like the rains of heaven, in gentle, gen-  
and refreshing showers, passing through a th-  
sand rills, and fertilizing and beautifying  
country. Instead of being employed in pur-  
es of speculation, it would have been applied

the common benefit of the whole people. nally, when the fund had accumulated and accumulating to an alarming degree, it was distributed among the States by the deposit but so suddenly distributed, in such large mass and in a manner so totally in violation of the laws and rules of finance, that the crisis suspension in 1837 was greatly accelerated. This would have been postponed, if not a

To these three causes fellow-citizens, Veto of the Bank of the United States, and the consequent creation of innumerable local banks, the removal of the deposits of the United States from the Bank of the United States and their subsequent free use, and the failure of the land bill of 1833, I verily believe, al-

nearly all of the pecuniary embarrassments of the country are plainly attributable. If the bank had been rechartered, the public deposits would have remained undisturbed where they were, and the Government would not have been required to make the loan. The bill, when put into operation, it is my firm conviction, would have saved the country from the ruin and ruin than is common, in ordinary and unusual times, to a trading and commercial country.

And do, just now, take a rapid review of experiments of our rulers. They began with contestably the BEST currency in the world, promised a BETTER. That better currency to be supplied by the local banks; and in first stages of the experiment, after the removal of the deposits, they were highly commended from high authority, for their beneficial and extensive operations in exchange, the financial

cilities which they afforded to the Government &c., &c. But the day of trouble and difficulty which had been predicted, for the want of the United States Bank, came. They could not stand the shock, but gave way, and the suspension of 1837, took place. Then what was the course of those same rulers? They had denounced and put down the bank of the United States. It was a monster. They had extolled and lavished

ses on the local banks. Now, they turned ro  
against the objects of their own creation,  
commendation. Now they were a brood of i  
monsters, corrupt and corrupting with sepa  
privileges, preying upon the vitals of the Sta  
They vehemently call out for a divorce of S  
and Bank. And meanly retreating under  
Sub-Treasury, from the storm which themse  
had raised, leaving the people to suffer under  
its raging and deluge.

the petting and pitiless rage, they and insult injury, by telling them that they unreasonable expect too much from Government, that it must take care of themselves, and that it is the highest and most patriotic duty of a free Government, to take care of itself, without regard to the sufferings and distresses of the people.

They began with the best currency, promising a better, and end with giving none. For we must as well resort to the customs of our original

rents in the garden of Eden, as attempt in the enlightened age, with the example of the world of commercial world before us, to cramp this energetic and enterprising people by a circulation exclusively of the precious metals. Let us see how the matter stands with us here in Kentucky. I believe we stand as well as the people do in most of the States. We have a circulation of Bank notes amounting to about two millions

and a half, founded upon specie in the year amounting to about one million and a quarter half the actual circulation. Have we too much money? [No! exclaimed many voices.] If all Banks were put down and all paper annihilated, we should have just half the money that we now have. I am quite sure that one of the immediate causes of our present difficulties











